



Pacific Tower at Lippo City

ments and facilities for their employees, including amusement and recreational centers, shopping centers, sport facilities, and hotels, all of which Lippo City provides. The rising demand for space within the industrial estates of Lippo city, according to Herman Latief, is because 'Lippo City has successfully accommodated the critical needs of the investor.'

Herman also stated that Lippo city is going to be a new regional economic center. Its industrial estate will have the ability to absorb more

than 500 factories. From this number, around 50 % are projected to have a Foreign Investment Status - oriented to exports. 'According to their investment plans, they are going to have exports of at least US\$ 4 million every month,' said Herman. 'With an estimate of 10 months working time each year, each factory may generate as much as US\$ 40 million. From the 250 factories, the Jababeka Industrial Estate and the MM 2001 Industrial Estate, can each generate US\$ 1 billion every month. The industrial estate of Lippo City can produce a total of US\$ 3 billion every month. One can imagine how great the impact of this enormous amount of production would be to the economy of the region.

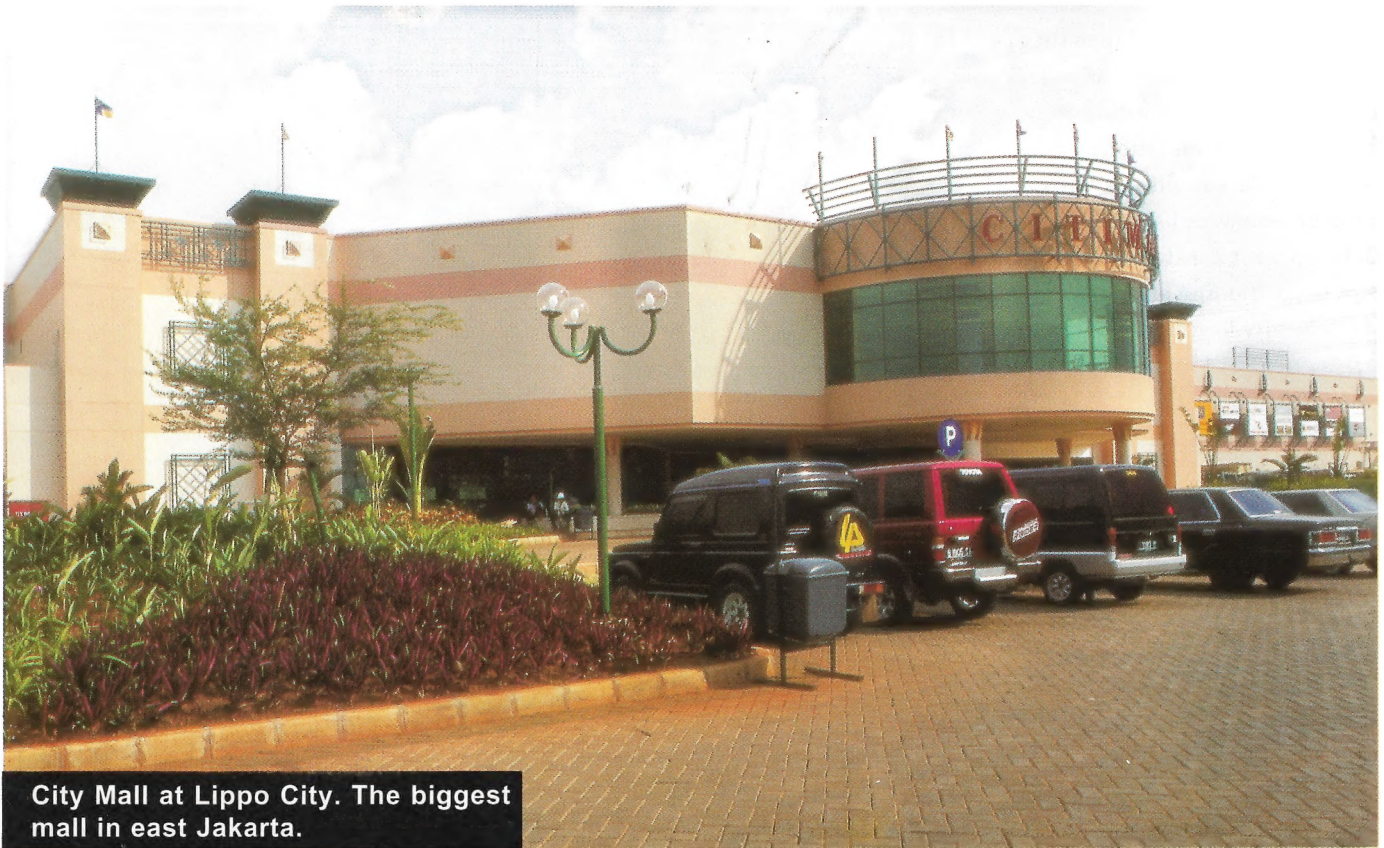
These are the reasons that one feels optimism that Lippo City will be the next regional economic generator of the future. The Minister of Industries, Tunki Wibowo, commented that 'Lippo City is the proto-type project of the Department of Industry, due to its great

ing of garment industries, assembly plants, batik craft industries, and electronics manufacturers. Big industries are going to open plants inside Lippo City's industrial estate. They are Sumitomo (310 hectares), Hyundai (210 hectares), East Jakarta Industrial Estate (320 hectares) and Delta Silicon (120 hectares).

According to Herman Latief, President Director of PT Lippo Development, the demands for industrial space at Lippo City have risen significantly since the last quarter of 1994. 'This may be due to the scarcity of quality industrial areas near the Bekasi boundaries, and the discrimination of new investors in choosing their plants. They insist on complete infrastructure and supporting facilities. They also take into consideration the availability of housing settle-



Crown Court. A twin tower condominium complex.



City Mall at Lippo City. The biggest mall in east Jakarta.

capacity to absorb laborers, and due to its ever-increasing economic growth.'

To achieve its targets, Lippo needs a long, well-planned 20 - 25 years development time. As a relatively new development (Lippo has just emerged within the last 4 years to the Indonesian property world) one may say that Lippo City has made rapid progress. They have already developed 3,200 units of housing settlements: City Villas (1,200 units), Bougenville Villas (500 units) Dago Villas (150 units) and Beverly Village (600 units). In February, 1995, they added another 1,200 units of housing called Simpruk Villas, an elegant, exclusive housing settlement with Mediterranean architecture.

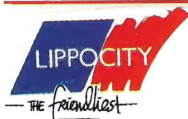
The Central Business District of Lippo City features skyscrapers which reflect the look of Jakarta's main CBD. One can already see the 7-story Global

Trade Center Building (the main office of The Lippo Group), and the 10-story Pacific Tower office building, the 4-star 128 room Sahid Lippo International Hotel in this dynamic new business district.

To support the needs of Lippo City dwellers, the developer has also provided shopping facilities, such as the Thamrin Square shop houses, the Furni Mart, and the Food Court. Last February, the developer launched the magnificent Lippo City Mall shopping center. This 22,000 sqm, US\$ 35 million shopping complex features quality anchor tenants and a range of shops. The Matahari Department Store, Hero Supermarket, Bata Shoes, Batik Keris, Columbia Electronics, Cineplex 21, and Maya Rumantir Fashion and Art Gallery, are some of the more than 60 tenants.

The sport facilities for this satellite city are far ranging and impressive. The 18 hole golf course, the polo field, tennis courts, badminton courts, roller skating facilities, and fitness center give local residents plenty of healthy recreational activity to choose from. To support health care needs, there two international-standard hospitals: St. Johns Hospital and Siloam Gleneagle Hospital. A comfortable resort environment can be enjoyed at the operating Hom Pim Pah Garden and the recently developed Theme Park.

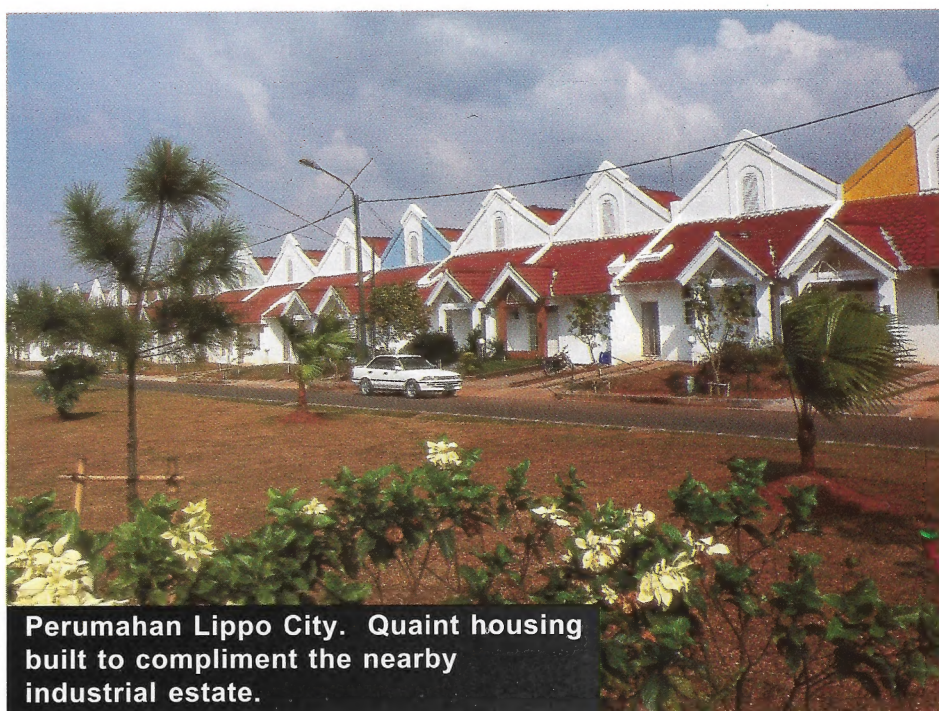
The education facilities at Lippo City are extensive. There are the al Azhar School, the Pelita Harapan School and the Sekolah Karya Iman. Lippo City has also succeeded in luring the IKIP (Institute for Teacher's Training and Education) Jakarta to relocate their education complex from the



Rawamangun area to Lippo City.

All these facilities, says Herman Latief, are built according to the plan for a projected population of one million people at this satellite city by 2020. To build an economic base, PT Lippo Land Development created the unique concept of positioning an industrial estate strategically for the use of the housing settlement, in such a way that enhances both, and greatly benefits the life style of residents. Only small scale industries are permitted to be developed and operated in the industrial estate, and strict control and monitoring of factory plants' production and wastes is implemented. As a part of Lippo City's special concern for a healthy, green environment, a waste treatment plant has been developed inside the Delta Silicon Industrial Park on the Lippo City Industrial Estate. This treatment plant will process more than 5,300 cu.m. of liquid waste every day.

Easy accessibility from Lippo city to the city of Jakarta and other areas is provided by the Jakarta-Cikampek toll road. It takes only 40 minutes to reach



Perumahan Lippo City. Quaint housing built to compliment the nearby industrial estate.

the Tanjung Periuk harbor, 30 minutes to Jembatan Semanggi, and 60 minutes to the Soekarno-Hatta International Airport. Lippo City has provided a special maestro bus fleet, which runs every 15 minutes between Jakarta-Lippo City, for the public.

Some noted public figures have ex-

pressed their admiration for the spectacular development of Lippo City. During her visit to Lippo City in response to an invitation by Mochtar Ryadi (Vice Chairman of the Lippo Group), Madame Yu, the US ambassador for the Asia Pacific region, expressed her amazement and admiration: 'It is unbelievable that such a beautiful City like Lippo City has been developed in Indonesia. The development is as good as any satellite city in the States'. The Minister of Public Housing Development, Akbar Tanjung, has stated his admiration for the successful integration of housing settlements, industry, business centers, educational facilities, tourist facilities, and other functional facilities. The Regent of Bekasi, Djamhari, has also acknowledged the success of Lippo City. In accordance with the changing of Bekasi's status from former city to a municipality, Djamhari has recommended Lippo City as the Capital of the Bekasi.



Sahid Lippo Hotel in Lippo City. The first four-star hotel in the region.



Lippo Village

The Incomparable City West of Jakarta

Developments at the Satellite City of Lippo Village are progressing with an inspiring rapidity.

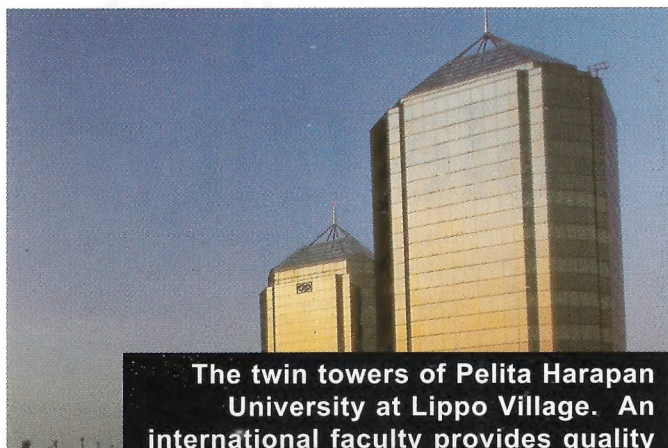
Only 20 kilometers west of Jakarta, or within 30 minutes by car, a 500 hectare new dream city, richly-laden with city-of-the-future facilities and concepts is becoming a reality. The name of this new city is Lippo Village. Three years ago, when nobody even dare to dream of a development this advanced, a vast area of land; uncultivated, unproductive, a swamp area, was noticed because of its strategic location along the important Jakarta-Merak toll road. From this swamp land has emerged a great work of technology, design, craft, and art: Lippo Village.

Lippo Village may be the masterpiece of new city development in Indonesia. While most people are still arguing whether to prioritize the economic base or residential housing within a development, Lippoland Development took the initiative, directing their imaginations to the development of a self-contained city. They imagined a city which would integrate the commercial, retail, and residential needs of its population into a superbly designed whole.

In Lippo Village, one can find not only the cool, high towers of modern buildings, but also housing settlements, international standard educa-



Asia Tower. Head office of the Lippo Group.



The twin towers of Pelita Harapan University at Lippo Village. An international faculty provides quality education.

tional facilities, a golf course, apartments, shopping centers, a 5-star hotel, and other supporting facilities designed to support the needs of a self contained city. Its developers designed Lippo Village according to a 'core city' plan, which means that this city could prosper independent of the nearby city of Tangerang, or even Jakarta itself. To accomplish this, Lippo Village will have, in its retail and commercial developments, its own economic generators. Furthermore, Lippo Village will act to absorb the population growth of nearby cities.

The master plan of this city was carefully laid out by teams of well-seasoned consultants, headed by Master Architects Walter R. Stewart and Desmond Muirhead. According to Stewart, a well known veteran in developing new town projects in the US; a satellite city such as Lippo Village requires that one use the concept of 'complete Design,' in which one accommodates all social factors, cultural factors and even the climate factors of the development. The city should be able to provide complete, comprehensive facilities for its inhabitants, from birth to death. Included are the important needs of employment and living condition.

Muirhead, a British-born architect who graduated from Cambridge University, said that today's developers must be able to cater to the needs of

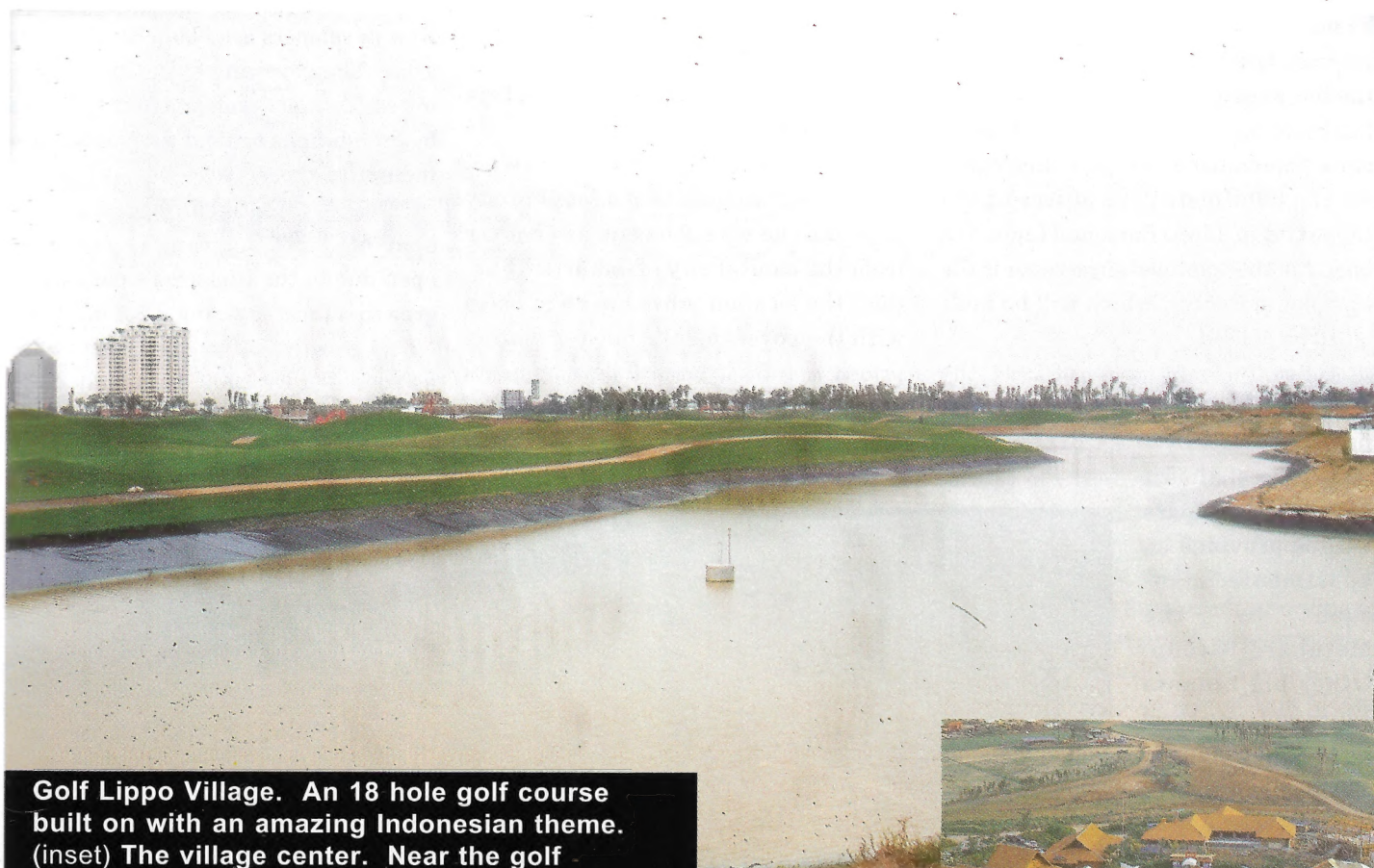
modern consumers for high-tech public facilities. Modern consumers are energetic people. They differ greatly from their over-cautious predecessors, who based their judgments on location and house prices. To accommodate the needs of both generations, Lippo Village will be developed according to both international standards

and the Indonesian way of life.

As of 1995, one can find fully operating public facilities within Lippo Village such as; neighborhood centers, food courts, convenience stores, playgrounds, supermarkets, and a recreational center with a complete array of activities. An estate management and maintenance department has been developed to maintain the city, with tasks including security, upkeep and cleanliness. As for infrastructural facilities,



This condominium complex at Lippo Village will be ready for residents later this year.



Golf Lippo Village. An 18 hole golf course built on with an amazing Indonesian theme. (inset) The village center. Near the golf course.



there is a six-lane boulevard, telephone networks, and a centralized sewage system. In the residential settlements, 1,200 homes of varying styles and sizes have been developed. This is a part of the plan to develop 4,500 houses for Lippo Village's predicted 40,000 inhabitants.

Also in 1995, the first development phase of the 1.4 hectare, 272 unit Village Golf Condominiums will be completed.

Educational facilities at Lippo Village are most impressive. The International Standard Sekolah Pelita Harapan school, built on one hectare of land, has been providing education of the highest standards since 1993. Today there are 800 students enrolled in this beautiful school, and the faculty consists 40% of expats. In the future, a Center for Fine Arts will be built as an integral part of this educational insti-

tution. To further enhance the opportunities for quality education for its inhabitants, Lippo Village is opening another international standard school; the Sekolah Dian Harapan, open later this year.

International standard health care is provided to the residents of Lippo Village at the Siloam Gleneagle Hospital, which will be fully operational in July 1995. This 500 bed state-of-the-art hospital is managed by Gleneagles International of Singapore.

The construction of the breathtaking 120,000 sqm shopping mall, Super Mall; the biggest of its class in Indonesia, will be completed in October 1995. This masterpiece of retail malls has an array of anchor tenants waiting for the grand opening, such as : Matahari Department Store, Metro Department Store, Hero Supermarket and Cinema 21. SuperMall, built on 9 hectares of

land facing the toll road, is predicted to single-handedly accelerate the growth of Lippo Village and the region. Besides the inhabitants of Lippo Village, prospective consumers include all the residents of west Jakarta.

An important part of the concept of Lippo Village is the development of a 24 hectare Central Business District. This CBD is designed to be the main economic generator of Lippo Village, along with Super Mall. During the first development phase (1992-1996), a prominent superstructure which has been completed is the five-star Century International Hotel. On a big 2.6 ha site, this 9,000 sqm hotel will cater to businessmen traveling throughout this new growth center, west of Jakarta. It will



be managed by Century International Kajima. Other superstructures include the impressive 20 story Asia Tower office building, which has been operating since September 1994, providing space for the administrative offices of the Lippo Group, Lippo Bank and Lippo Village. Another planned skyscraper is the Petroleum Center, which will be built on 10 ha of land.

Since the last quarter of 1994, the Matahari Group has used 40 floors of office space within this CBD for their main offices. Almost half of these floors will be provided as apartments managed by the Matahari Group. Other big tenants which will open their main offices in Lippo Village are the poultry enterprise Anwar Sierad Bhd (4,836 sqm, 20 floors), and the plastic manufacturer Dynaplast (2,227 sqm, 9 floors).

Lippo Village will also provide leisure and recreational centers to its residents. Its 18 hole international standard golf course Imperial Golf Club, covers 60 hectares, and has been designed with a fantastic Indonesian theme by Desmond Muirhead. It is managed by the well known Golf Club Corporation of Asia. Its recreational center, including a big, creatively designed swimming pool, bas-

ketball, tennis courts, a child care center, work out rooms, and other fitness related facilities will keep all the members of the family fit and entertained.

Choosing the area of Karawaci (Tangerang) as the site of a satellite city proved to be wise, since it lies not far from the capital city of Jakarta. Further, the location proved to be in mesh with the government's master plan to prioritize infrastructural developments (such as toll-roads and rail systems) along the West-East axis of Jakarta.

Now developers are being lured to this area. The government is also promoting residential development in this area by prohibitions against developing new industries there.

Market potential for housing developments in Tangerang is still wide open due to the this area's population growth of a staggering 8%, and its regional growth product of 8.1% annually, as revealed by 1992 data from BPS. (end)



The Amartapura residential palace. This 52 storey condominium complex, the highest in Asia, is the crowning jewel of Lippo Village's many treasures.

Royal Sentul Highlands

A New, Prestigious Residential Ressor

This satellite city resort, the first of its kind in Indonesia, has a location near urban Central Business Districts, yet is set in the serene natural surroundings of mountainview. Will it set the trend for a new life style?

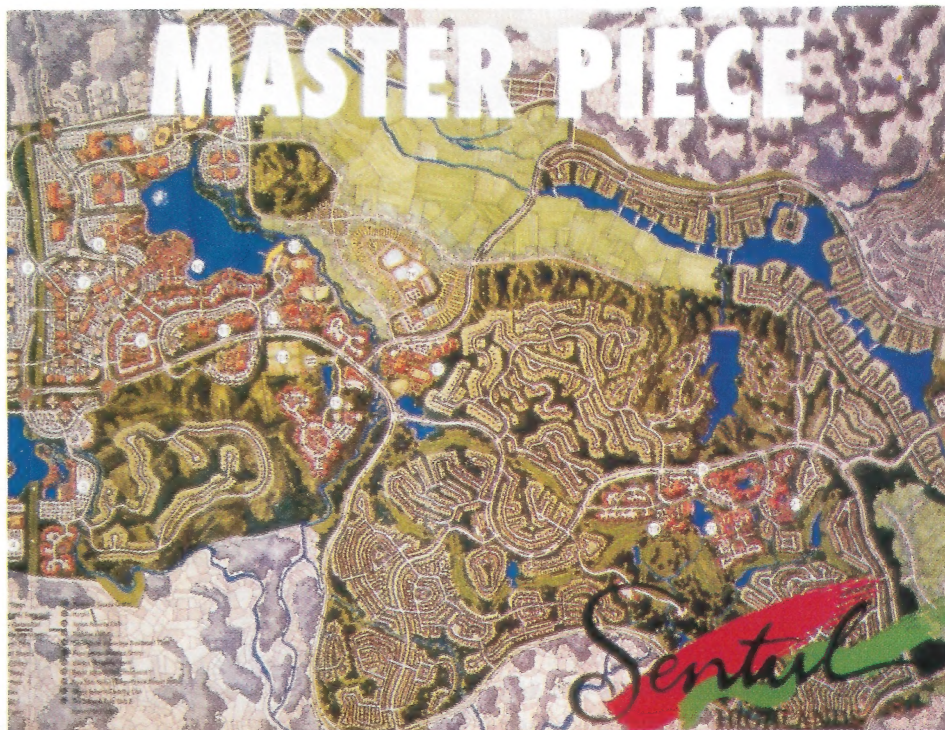
The boom of residential estate developments around the City of Jakarta, has caused fierce competition among developers in the sub-residential sectors. Today, developers have been pushed to bring out their best in order to win the attention of the already over-supplied market. It seemed the market was full of competitors, and there was scant room for new competition or new ideas. Then came PT Royal Sentul Highlands, the sister company of the PT Lippoland Development, with their exciting new satellite city resort, the Royal Sentul Highlands.

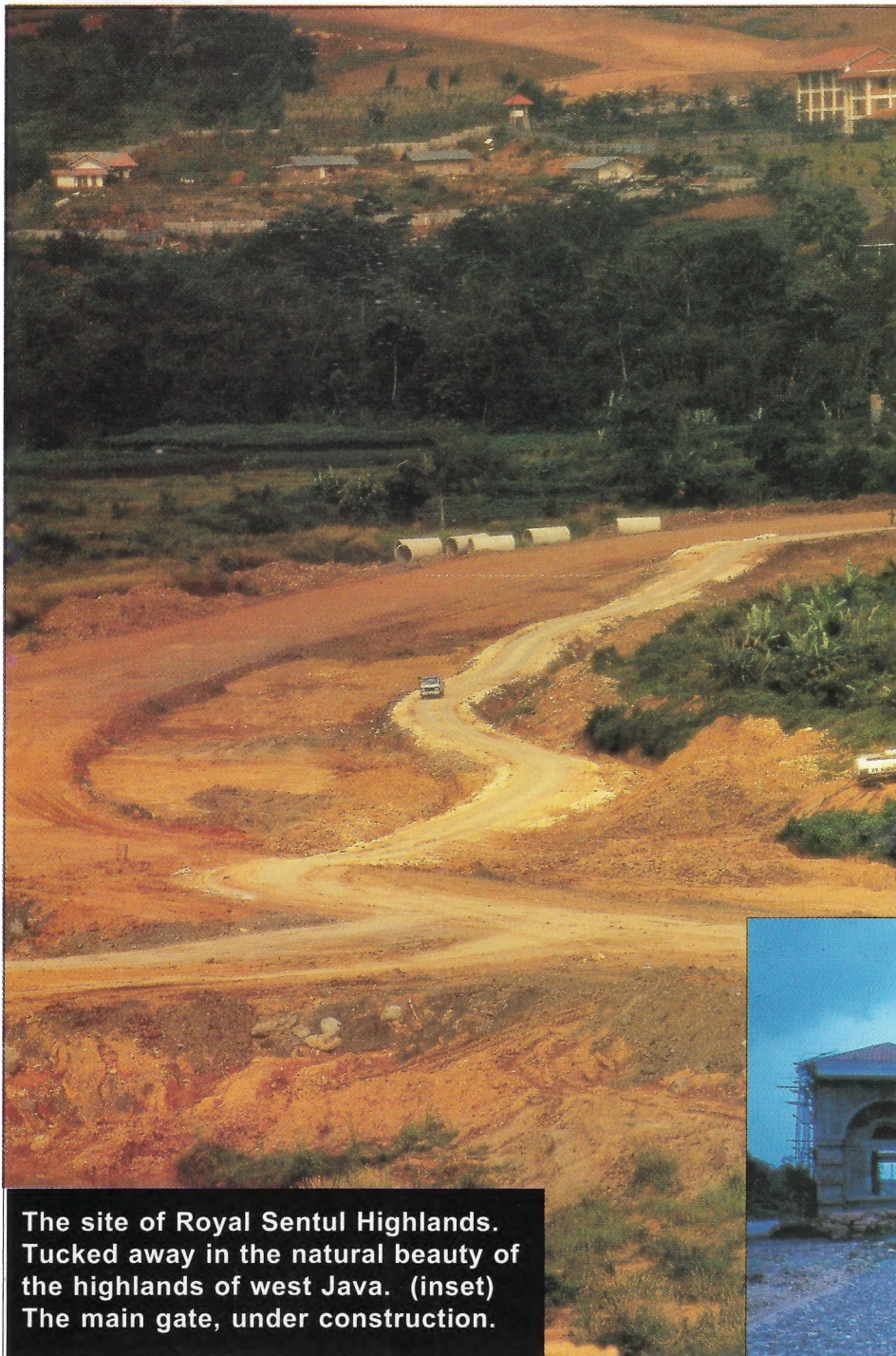
For the executives working in Jakarta, the Royal Sentul Highlands offers superior value. This residential resort settlement offers a mountain view panorama, yet lies within a surprisingly short distance of the heart of Jakarta. It can be reached within 25 minutes driving, bypassing the notorious traffic congestion of Jakarta's roads via the Jagorawi toll road straight to the Golden Triangle. The serene panoramic mountainside view of this gorgeous residential estate is enhanced by the cool, clean air of the high altitude (225 - 350 m above sea level) climate. The green hills of this area split by the fresh waters of the Citeureup river. This river also functions as a natural

drainage system, better than the man-made ones found on other residential settlements. With a unique combination of active living while residing in a serene natural wonderland, Royal Sentul Highlands is the better choice. As Freddie Austria, the GM of PT RSH said: 'I am very sure that this residential settlement will soon rapidly expand and become a new, prestigious settlement for Jakartans'.

As stated in the location permit issued by the Governor of West Java, PT RSH is located on a vast 6,000 hectares of land containing 9 villages in the mayoralty of Citeureup. This resort will take 10-15 years to be completely developed. 2,500 ha have been cleared and are ready to be used, but only 2,000 hectares will be developed, according to the planned first phase developments.

As a residential resort estate, the process of development of this Mega-project differs greatly from other real estate projects. Each unit of housing will be built with a Building Coefficient of 25% only, which means that within the thousands of hectares of land available, only a small number of residential sites can be developed. Each residence needs a large land plot of approximately 280 - 3,000 sqm, with no fences or other





The site of Royal Sentul Highlands. Tucked away in the natural beauty of the highlands of west Java. (inset) The main gate, under construction.

phase a 451 hectare residential settlement, including 15.5 hectares of man-made ponds, roads, a 18 hole international standard golf course, a 4-hole golf course for the Golf Academy; Sekolah Pelita Harapan, the five-star Sentul International Resort Hotel, and a Polo Equestrian field and the Gleneagle Hospital will be built.

In the second phase of development, residential sites, office buildings, shopping centers, factory outlet centers, and recreation centers will be built.

The development of the living settlements and the supporting facilities of Royal Sentul Highlands have been perfectly matched. The residential development at the resort has just reached completion, while supporting facilities have been finished and are being used by residents. These are the Sekolah Pelita Harapan, the Polo and Equestrian field, the bus station and an office building (functioning as a branch office of Lippo Bank). By implementing this method of



types of physical separation between two residences. The roads are wide, (approximately 12.5-18 meters), and the main roads have an ROW of 60 meters. Supporting facilities are geared for recreation. One can find facilities such as a 18 hole international standard golf course designed by Golf legend Gary Player, hotels, club houses, polo and equestrian facilities, and a cultural center within the RSH boundaries.

This residential estate is divided into several housing complexes, each

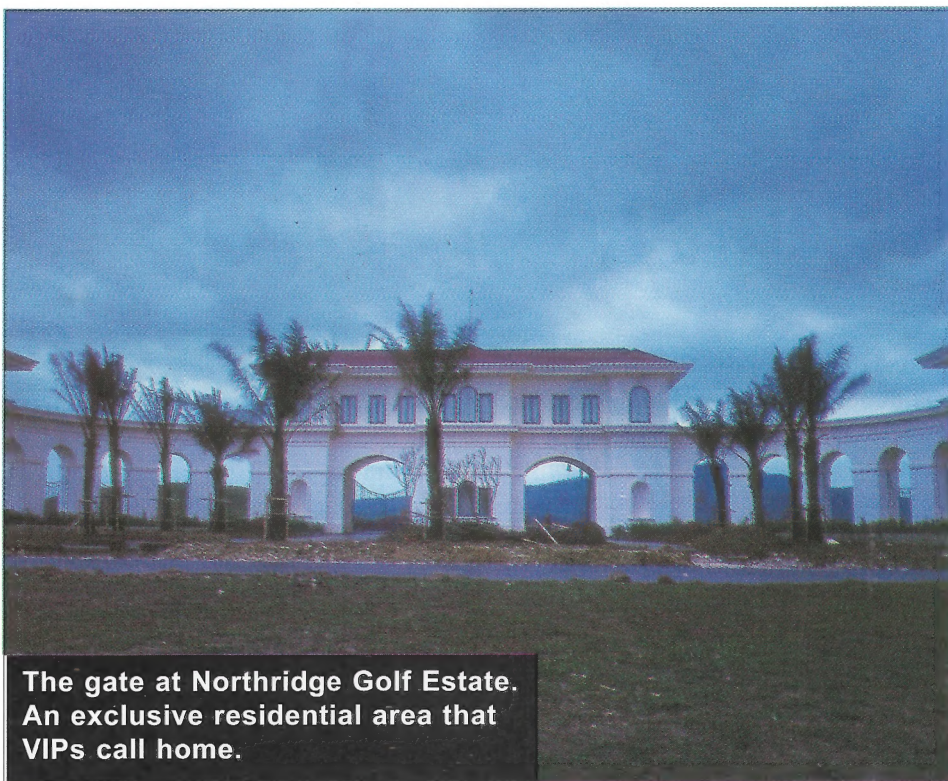
with a different type of architectural design created by a notable architect. For example, one can find the Northridge Golf Estate designed by Joe Ambrosse Jr., and the Mediterranean Golf Estate designed by Bassenian Lagoni. To provide maximum security, each complex has its own guard station.

According to AH Marhendra, the project manager of PT RSH, the first development stage of this Mega-project is divided into 2 phases. During the first

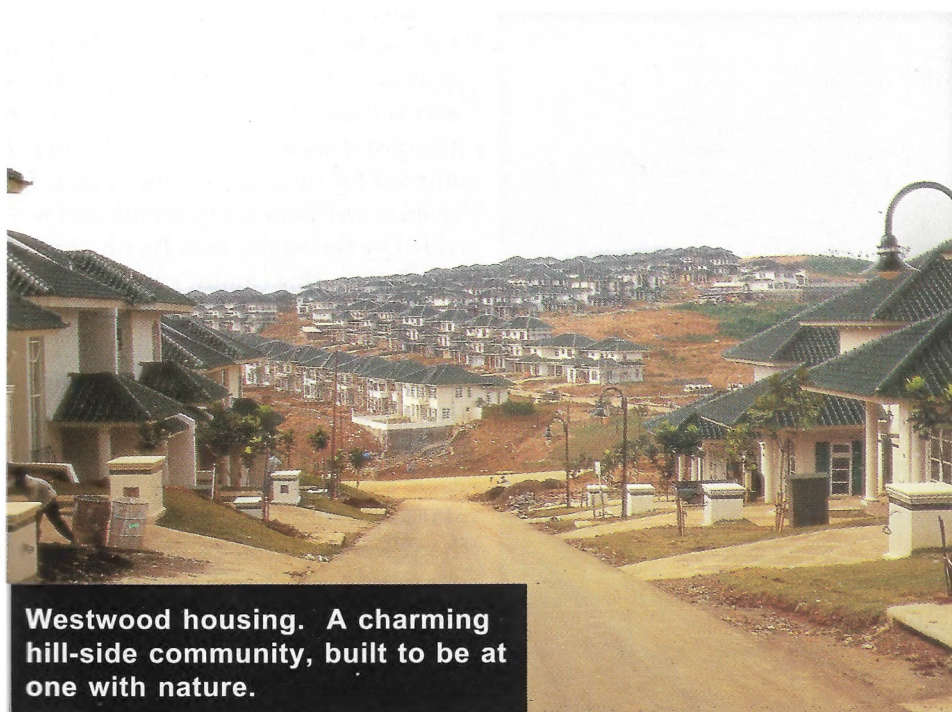
building, as a house is completed, some of the supporting facilities has also been completed and the new owner can move to his dream house immediately. Owners are prohibited from making any physical change to the house they live in. This is to prevent any change of the original standards, an integral part of this living settlement. To better serve its residents, PT RSH has also established an estate management board.

A Living Settlement At One With Nature

Royal Sentul Highlands has put Nature and the environment as a prime attributes to be preserved and cherished. Any construction is to be in harmony with the natural surroundings. Every residence is designed and placed according to a ratio of land level to road level. One can find the upwardly sloping, level, and downwardly sloping housing on the resort. The natural panoramic mountainview is preserved. One cannot find a single telephone pole or electric line on this settlement because all telephone and electrical cables are put underground. Even the contours of the hillsides are conserved, and any construction which may affect this natural landscape will be avoided. This unique, nature-oriented architectural design was made by a team of notable architects,



The gate at Northridge Golf Estate. An exclusive residential area that VIPs call home.



Westwood housing. A charming hill-side community, built to be at one with nature.

headed by Walter Steward. They have created a beautiful design where residences blend naturally into the surrounding environment. No wonder that visitors are awed by the serene beauty of this resort estate.

Water, the prime resource for life, has also been carefully conserved. The supply of water is provided by interconnected reservoir ponds with a total capacity of 1.5 million cu.m. These ponds will catch rain water and water from the Jatiluhur dam. Before being distributed to each house, this water will be treated at a specially designed water treatment building complex to fulfill the requirements for potable drinking water. Waste water, including sewage from household use is treated and partially recycled.

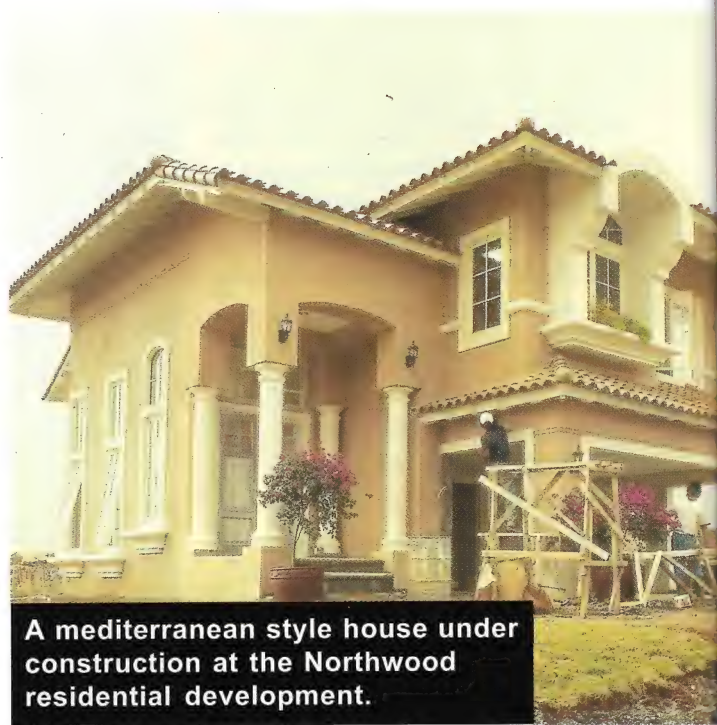
Progress of the resort

Royal Sentul Highlands, launched in September 1993, has already achieved extraordinary progress. Within a span of less than 1.5 years, a 450 ha have already been transformed and developed into beautiful residential sites. This is far beyond the achievements of other developers.

Today, one can find the complete buildings and facilities of Sekolah Pelita Harapan (including the dormitories), the Polo Equestrian center, bus stations, and the Cultural Park. Some of the residential sites has been occupied; 710 units of the Westwood design residences have been handed over to buyers since December 1994. In the next few month of this year, there will be some important developments completed at Royal Sentul Highlands: the soft opening of part of the 200 room 5-star Sentul International Resort Hotel, the opening of the Jagorawi interchange toll sentry, the operation of a 9 hole golf course, and the opening of the Northwood residential sites. This will

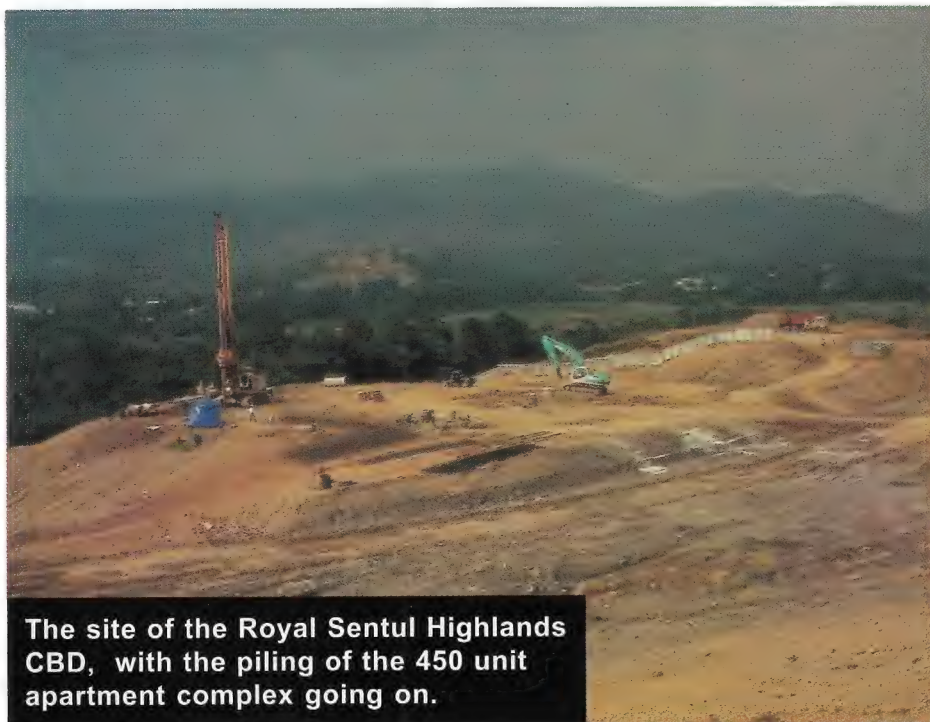
be followed by the completion of the Mediterranean (137 hectares) and Northridge (25 hectares) residential sites.

Also in 1995, work on the apartment project on the site will begin. According to Teguh Pudjowigoro, the marketing director of PT RSH, a three tower, 450 unit apartment building will be built. These apartments will be launched after the completion of the 4th floor of the complex.



A mediterranean style house under construction at the Northwood residential development.

A Promising Investment



The site of the Royal Sentul Highlands CBD, with the piling of the 450 unit apartment complex going on.

An excellent capital gain can be obtained by any investor who buys a unit(s) of this exclusive residential resort settlement. 'From past experience the record shows a 25% capital gain per annum for investors in the resort, far more than the 14% deposit interest provided by the banks' said Teguh. 'And in the future, this capital gain will naturally increase. I am sure that people can enjoy a ROI within a very short time'.

Many people may use Royal Sentul Highlands as the location of their second, or weekend home, in order to escape the traffic, heat, and pollution of Jakarta. Many people should realize, however the joy of calling this resort paradise home. Teguh said, 'We will not feel happy until buyers use our residential sites, not merely for their second home, but as their first'.

MODERNLAND

A CITY IS BORN

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WAS FOUNDED BY THE MODERN GROUP ON AUGUST 8, 1983. THE FIRST SIX YEARS OF ITS EXISTENCE WERE SPENT IN BUILDING A SOLID FOUNDATION FOR ITS PROJECTS — LAND ACQUISITION, SITE DEVELOPMENT AND CONSTRUCTION OF INFRASTRUCTURE. FIRST COMMERCIAL OPERATIONS BEGAN IN NOVEMBER 1989.

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- MODERNLAND THE CITY OF THE 21ST CENTURY
- MODERNLAND GOLF AND COUNTRY CLUB, AN 18 HOLE CHAMPIONSHIP GOLF COURSE DESIGNED BY THE WORLD RENOWNED PETER THOMSON
- TAMAN MODERN, AN ATTRACTIVE MEDIUM SIZED HOUSING ESTATE IN EAST JAKARTA
- MODERN CENTER

HOUSING IS ALWAYS, AND WILL BE, IN HIGH DEMAND IN INDONESIA. THE SUPPLY FOR THIS NEED SEEMS ALWAYS TO BE INADEQUATE. MEANWHILE PROSPERITY IS ON RISE, AND PURCHASING POWER IS GROWING ALL THE TIME.

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MODERNLAND CIPONDOH

■ IN CIPONDOH, Tangerang, situated to west of Jakarta, Modernland built its first project. Aptly named Modernland, this project cover 770 HA of land, featuring international standard recreational facilities, complete with everything that makes modern living an everyday convenience - shopping plazas, schools, parks, places of workshop, sport ... all are carefully

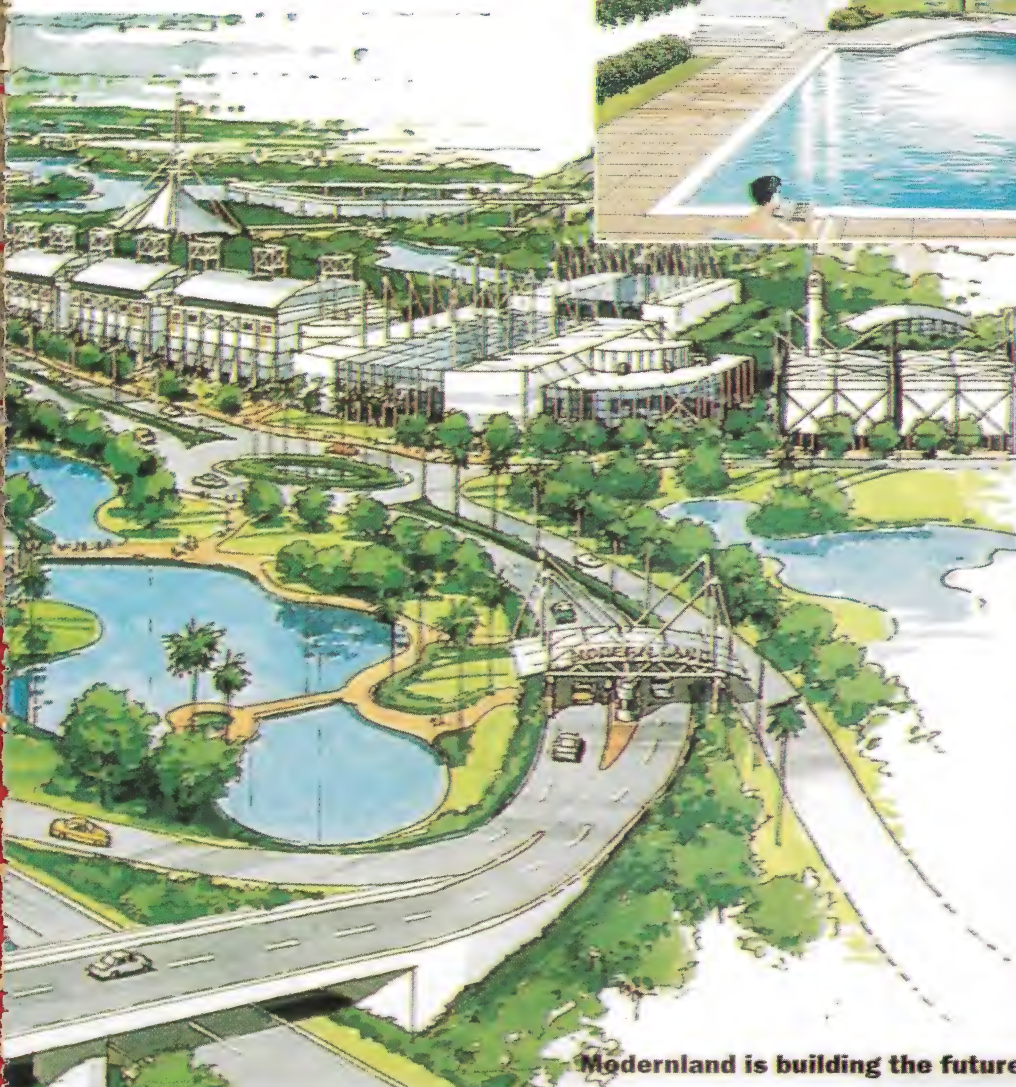
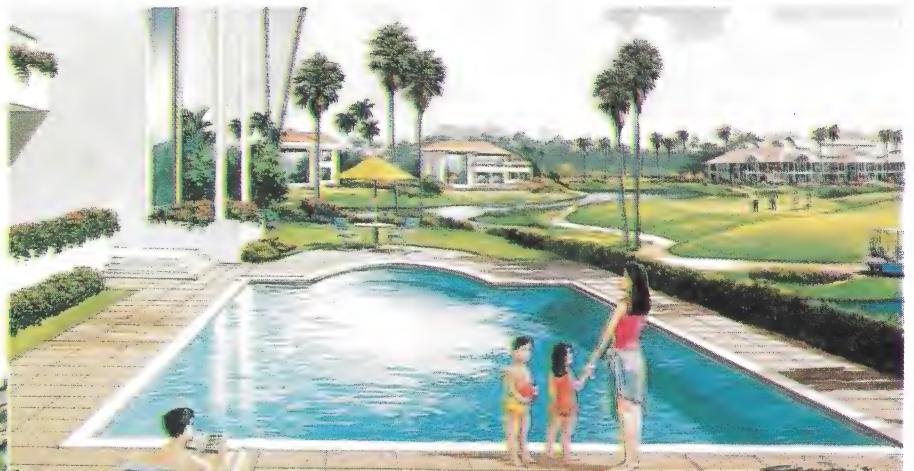


and sophisticatedly planned in this city of the future. Modernland won the urban real estate landscaping contest for east Java in 1992. Easily accessible from Jakarta via the Jakarta Tangerang toll road, Modernland is the only for living in the future today.



THE STAR OF THE CITY

MODERNLAND GOLF ESTATE



Modernland is building the future

■ THE STAR of Modernland is of course the luxury estate surrounding the golf course. Only a select few will enjoy this prestigious address supported by the facilities, today. Set within easy walking distance of the one of a kind golf course specially designed by world's pro golf star, Peter Thomson.



MODERNLAND GOLF PARK HOUSE

HOME
ON
THE RANGE

■ AN EXCLUSIVE home, on an exclusive golf range. In this resort like paradise — beautifully landscape environment. You and your family can live, surrounded by everything you could desire closely situated to Modern Golf and Country Club with extensive facilities for your enjoyment. Located at the heart of Modernland. Modern Golf Park House offers a new dimensions in prestigious living.



MODERN GOLF & COUNTRY CLUB

■ THE GOLF COURSE that is nirvana for ardent golfers. A specially designed 18 hole world championship course, boasts night golf lighting facilities that make it the first golf course in Indonesia to turn night into day.

The country club is huge luxurious 7.000 square multi complex with a complete range of international standard sporting, recreation,

business and banqueting facilities. Including an olympic size swimming pool, outdoor and indoor tennis courts, squash, badminton, volley ball, gymnasium, hair stylist, restaurants, bars, lounge, conference rooms and business centre.

Member enjoying reciprocal right for the use of facilities at 175 associated clubs in the US, Europe, Australia and major cities in Asia.

TAMAN MODERN



■ THE CAREFULLY planned 'park houses area' is aptly named Taman Modern - or Modern Park. Here, on a 50 HA area in Eastern

Jakarta, attractively designed medium size housing has risen - and become a popular residential area. Electrical nor telephone poles are in

sight — although these facilities are already enjoyed by the residents. Careful planning put these underground — beside the well maintained hotmixed streets, effective drainage system and a central parabola antenna that is a real treat to the residents.

The existence of a shopping centre and sport and recreational facilities explain why this young housing estate has grown so fast.

IT'S A PARK...
IT'S TAMAN
MODERN



BUKIT MODERN

■ A HILL in Jakarta ? But Then .. why not. This one located in south Jakarta a 60 HA area surrounded by green. You may not see much today

— because development is still under way. But when it is completed, .. it will be just like living in a resort area. Beautiful surroundings fresh air,



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■ OUR PROJECTS are covering Jakarta in every direction East, North, South and of Course the Centre. If you were looking to find the best home for your family — which one would you choose ?

Of Course it would be very tiresome and time consuming to go from one project to another. But look no more. One Stop Modern Housing, located in Permata Plaza, on Jalan Thamrin, One Stop Modern Housing is staffed

far from the maddening metropolitan life. And of course you will lead a very modern life — all facilities are close at hand

You wouldn't believe that you actually still in Jakarta.

A GARDEN
ESTATE ON
TOP OF
A HILL



by well informed personnel, who are happy to assist you in making the right choice.

You even can discuss the arrangements of the lease for your chosen house — if necessary. And they would be very pleased to help you with your move, furnishing or designing the interiors of your dream home.

Just one stop — and your new world would be opened up for you. As its name suggests — it's just one stop towards your home of the future.

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Vision and Innovation to Lead

DUTAPERTIWI is one of Indonesia's leading property developers. The company is the flagship of Sinar Mas Group's real estate division. As part of the well-respected Sinar Mas Group, DUTAPERTIWI has the advantage of the Group's synergy in skills, experience, and resources to compete in today's highly competitive property development market.

The Vision. The robust growth of the Indonesian economy will fuel the demand for both housing and commercial centers to serve the community. This positive dynamism is conducive to property development. DUTAPERTIWI is poised to benefit from this tremendous opportunity. The company's vision is to become the leading, most innovative, profitable and well-diversified property developer company in Indonesia.

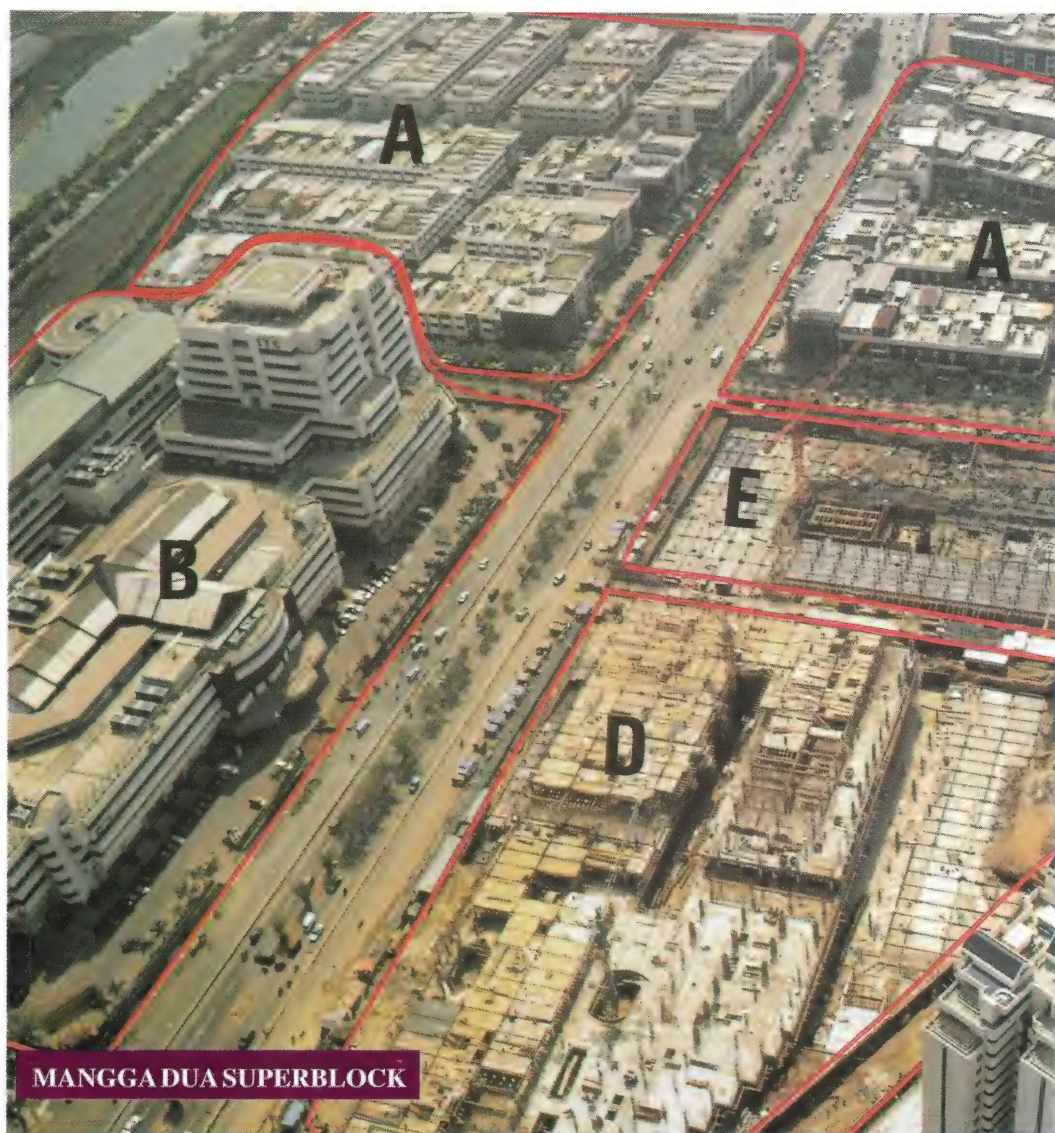
The Philosophy. The success of the company is based on adept identification of community and business development needs, materializing concepts to fill these needs, and efficiently implement them as projects. DUTAPERTIWI was the first to introduce the strata title ownership concept in Indonesia, leading to the first high-rise shopping center based on strata title: the Mangga Dua International Trade center (ITC) in 1989. In all endeavors, the company always pursues a win-win strategy: both company and customer benefit.

The Business. Currently, DUTAPERTIWI is pursuing five major lines of development: commercial, apartments, office buildings, single family housing and hotels. The company's focus is on large multi-purpose, integrated developments, known as **superblocks**. These superblocks incorporate both residential and commercial aspects, offering apartments, offices, shop houses, and commercial retail spaces (kiosks). By combining residential and commercial development, superblocks gain a synergistic effect that benefits both residents, tenants and customers.

Superblocks offer a higher margin than other types of property development. By pre-selling the superblock, the company further reduces its exposure to market fluctuations and to interest rates.

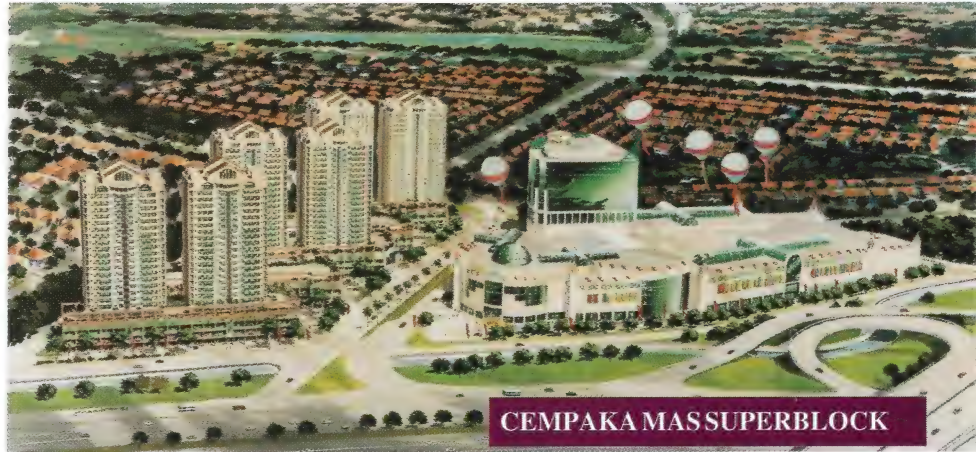
One of the largest and most significant superblock developments in Indonesia is the Mangga Dua Superblock, the result of the complete transformation of a 29 hectare section of under developed land in North Jakarta into a thriving business and residential community. The Mangga Dua Superblock consists of:

- A. Mangga Dua Ruko - 96,500 sqm : 538 shop houses
- B. Mangga Dua International Trade Center - 120,000 sqm : 2,300 shops and offices





- C. Mangga Dua Court - 33,000 sqm : 140 apartment units
- D. Mangga Dua Mall - 82,000 sqm : shophouses, 300 shops, supermarket, cinema, food court
- E. Dusit Mangga Dua Hotel and Shopping Arcade - 14,000 sqm: 538 shophouses
- F. Mangga Dua Center - 15,000 sqm : shops and offices



DUTA PERTIWI's success and leadership in superblock development is secured with dynamic development such as the Roxy Superblock, Fatmawati Mas Superblock, the Ambassador Kuningan Superblock, and Cempaka Mas Superblock.

Besides excellent superblock developments, DUTA PERTIWI also has a solid portfolio in housing, hotel and offices. In housing, the company has Taman Banjar Wijaya, Taman Pertama Buana, Taman Mawar and Taman Duta Mas. In hotel and resort, the company just opened Dusit Inn Balikpapan, and Dusit Mangga Dua is under construction. In the company's office portfolio, there is BII Plaza, which offers prime office space on Jl. M.H. Thamrin in Jakarta will be completed in late 1996.

DUTA PERTIWI also has an extensive and high-quality land bank of about 280 hectares, mostly situated in Jakarta's central business district (CBD), with a value of over \$700 million. This land bank is sufficient to meet the company's future projects until 2001.

DUTA PERTIWI has

a fairly conservative strategy. In the short term, the cash cow is the development of shophouses, which have good margins and demand. The medium-term cash generator is the housing and shopping center sector. The cash generated from these sectors is then invested in long-term projects, such as office buildings and hotels, which are financed in US dollars to reduce exposure to high local interest rates.

DUTA PERTIWI continuously strives to be leader in the property business through good customer relations, impeccable integrity, and full commitment to quality. Its proven vision will allow it to compete in the modernization of Indonesia and capitalize on its opportunities. With excellent project portfolios and management by experienced and dedicated professionals, DUTA PERTIWI is poised to be the leader.

IPO: A Vote of Confidence

In November 1994, DUTA PERTIWI successfully floated 25 million new common shares priced at Rp3,150 per share to the market. The IPO was oversubscribed by 354%. Foreign oversubscription is even more overwhelming; at 561%.

Cempaka Mas Apartments- nearly 888 units in 5 days.

In July 1994, DUTA PERTIWI launched Cempaka Mas Apartments as the first offered part of the Cempaka Mas Superblock. The market response: within five days, nearly 888 units of apartments were sold. This indicates DUTA PERTIWI's capable vision to offer products that meet customer needs.



Sky Rocketing House Prices

In the last three years, house prices have jumped 105%. Is now a good time to invest?

The population growth of around 5% in cities has been an important factor in increasing the great housing needs of this country. In 1985, city inhabitants numbered 26% of Indonesia's population. By the year 2000, the expected number of city dwellers in Indonesia may reach 40% of the population. Another factor that has pushed the need for housing settlements, according to data given by the nation's Central Bureau of Statistics, is the high percentage of city dwellers who do not own homes.

According to a statement given by the Minister of Public Housing, Akbar Tanjung, each year Indonesia needs approximately 750,000 new units of housing for its inhabitants. It was calculated that for the

coming 20 years, there will be a total deficit of 2,000,000 house units. That means a deficit of approximately 100,000 houses each year. With an added 100,000 units needed to compensate for each year's deficit, the nation's need for housing may well rise to 850,000 units annually. This number does not include the number of houses needing repairs and renovation, which was expected to reach about 1.52 million units (4% of the total number of houses in Indonesia today).

According to the recently published Guidance Book from the Ministry of Housing, in the next 17 years (1976-1992), members of the Indonesian Real Estate Association have to develop all three classifications of houses (simple, middle and luxury

types). As many as 733,539 units, or 43,149 units a year should be built. The Perum Perumnas (a government company) has to provide the rest. During the last Five Year Development Program era, the Perum Perumnas developed 140,006 units of very simple (very low income) houses, 94,095 units of simple (low income) houses and 9,667 units of apartments.

From the above mentioned data, there is an unbalanced situation between the limited amount of housing that can be provided and the great need. The housing provided by the combination of formal sectors (REI, Perum Perumnas and Cooperatives) can only provide approximately the 15% of the total needs of city dwellers. The rest should be provided by the



Middle class flats in the Jabotabek area. Prices for these units are rising steeply.

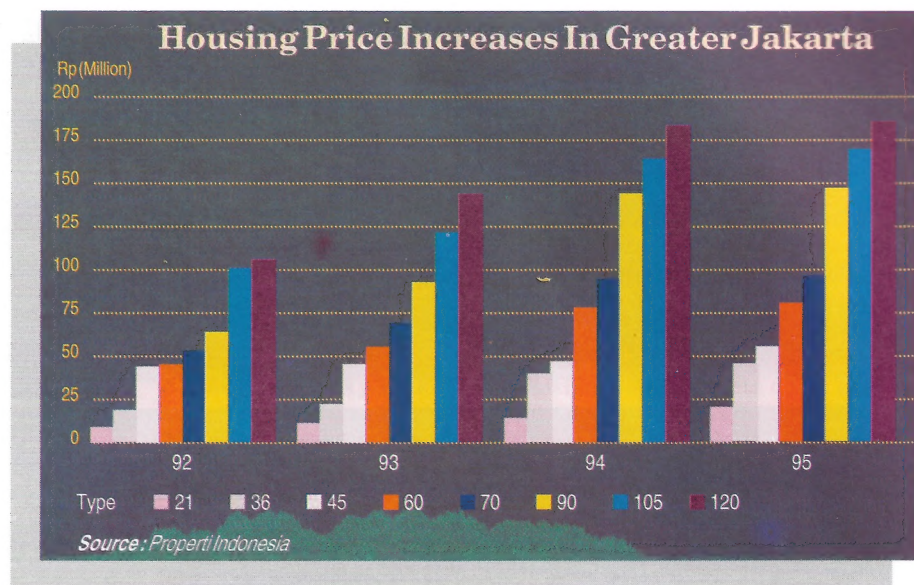
people themselves.

In each Five Year Development Program the government has increased target development, especially for low income housing. during the second Five Year Development Program, for example, the target number was 73,000 units. This increased to 150,000 units in the third Five Year Development Program, 300,000 units (fourth), 450,000 units (fifth) and the recent target of housing development in the sixth Five Year Development Program is 500,000 units.

A major portion of Indonesia's Civil Servants have enjoyed the facilities of the Home Saving Programs for Civil Servants. Over 700,000 people have used this service. Recent data revealed that this Saving Program has already accumulated more than Rp 375 billion (US\$ 170 million) since November 1994. From this amount, more than Rp 9.266 billion (US\$ 4.212 million) have been used for down payments for housing facilities for 6,586 Civil Servants.

A similar program has also been created to allow private employees to own homes. According 1990 data released by the Central Bureau of Statistics, during the sixth term of the Five Year Development Program, there will be at least 3.78 million families in urban areas that will need help to purchase a home. This is equivalent to providing housing for more than 750,000 people each year; requiring capital of Rp 20 trillion (US\$ 9.1 billion). Based on this data, the Minister of Labor; Abdul Latief, together with the Minister of Finance Mar'ie Muhammad and some officers from the Ministry of Public Housing are currently preparing a Savings Program for private employees. This program will also be armed with the regulations to improve private employees' wages.

To assist would-be buyers, there are Home Ownership Loans provided



by the banking sector. Bank Tabungan Negara and Bank Papan Sejahtera have been appointed by the government to run this program.

Many countries enjoy the use of a secondary mortgage facility, which is able to match long-term investments, like pension funds, to long-term lending, like for home mortgages. As of yet, Indonesia does not have such a facility. However, plans to establish one are being discussed at high levels of government.

According to the Indonesian Center of Business Data, a think tank, 1995 will show economic growth of 6-7%. This situation, naturally, has further pushed demands for housing settlements. For property players, this is a good time to do business in the residential sector, specifically targeting those middle to high income people who have increased buying power. The tax break - effective January, 1995 - enjoyed by Indonesian citizens will also increase their buying power.

The Buying Powers

After discontinuing the Tight Money Policy formerly implemented by the Indonesian government, a honeymoon between developers and the banking sector came, with the banking sector decreasing interest on loans to the property sector. Take the example of the National Savings Bank. The National Savings Bank has increased its loan provision to the property sector by as much as 35% from their total loan provision program. In 1994, this bank has funneled Rp 1.2 trillion (US\$ 545 million) to the property sector, and in 1996 they plan to provide loans

of as much as Rp 1.56 trillion (US\$ 709 million).

A similar approach has been taken by Bank Papan Sejahtera : a 30% loan provision to the property sector in 1994 amounted to Rp 295 billion (US\$ 134 million). In 1995, they are providing Rp 400 billion in loans to the property sector.

The National Savings Bank has also provided loans to low income people to obtain houses. In 1993, this bank provided Rp 4.248 trillion (US\$ 1.931 billion) for the development of 841,163 units of simple (low income)

PROPERTY LOANS FROM DOMESTIC BANKS

(In Million Rp.)

ECONOMIC SECTOR	1992											
	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUGUST	SEPT	OCT	NOV	DEC
1. Construction	6,382.06	8,045.47	8,035.90	6,147	7,546.40	7,602.40	9,267.40	9,503.30	9,676.70	9,700.00	10,050.00	9,699.80
A. Simple Housing	1,588	1,590	1,559	1,580	1,566.00	1,566.00	1,501.00	1,543.00	1,554.00	1,497.00	1,533.00	1,482.00
B. Commercial/Retail	4,794	6,455	6,477	4,593.5	5,980.80	6,036.80	7,766.00	7,960.20	8,122.80	8,203.00	8,517.00	8,217.40
2. Real Estate	2,583.60	2,271.50	2,486.40	2,569.20	3,881.40	3,900.80	2,702.70	2,690.60	2,850.30	2,838.70	2,818.30	2,908.70
A. Simple Housing	506	446.50	452.96	449.60	485.62	499.94	488.50	16.60	547.16	520.93	476.30	472.70
B. Commercial/Retail	2,077.60	1,825	2,033.40	2,119.60	3,395.80	3,400.90	2,214.20	2,174.00	2,258.20	2,317.80	2,342.00	2,436.00
3. Mid-upper Housing	3,513	3,311	3,581.20	3,529.10	3,554.70	3,372.50	3,673.20	3,697.90	3,628.50	3,661.10	3,701.00	3,766.60
Total	12,479	13,628	14,103	12,272	14,982.00	14,876.00	15,543.00	15,792.00	16,111.00	16,200.00	16,569.00	16,374.00

ECONOMIC SECTOR	1993												1994							
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG.	SEPT	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG
1 Construction	10,126	10,078	9,243	9,222	9,204	9,935	9,669	9,684	9,803	9,958	10,025	10,038	9,776	10,206	10,130	10,084	11,005	11,246	11,570	11,906
A. Simple Houses	1,478	1,521	1,445	809	707	876	713	722	744	842	864	929	873	1,087	1,051	1,064	1,489	1,513	1,137	1,177
B. Commercial/Retail	8,648	8,556	7,798	8,413	8,497	9,059	9,116	9,161	9,109	8,904	9,119	9,080	9,021	9,516	9,733	10,433	10,729			
2 Real Estate	2,859	2,876	2,946	3,354	3,231	4,441	4,633	4,985	5,245	5,151	5,571	5,512	8,613	5,709	5,986	6,402	6,394	7,136	7,229	7,801
A. Simple Houses	449	457	495	419	396	420	450	562	776	786	747	805	1,004	886	933	1,155	963	973	949	976
B. Commercial/Retail	2,410	2,421	2,451	2,934	2,835	4,021	4,183	4,423	4,469	4,364	4,824	4,708	5,609	4,823	5,053	5,247	5,431	6,163	6,280	6,825
3 Mid-Upper housing	3,820	3,842	3,959	4,164	4,360	4,612	4,739	4,928	5,216	5,546	5,846	6,157	6,387	6,615	6,885	7,203	7,517	7,919	8,210	8,512
Total	16,805	16,797	16,148	16,740	16,794	18,989	19,042	19,597	20,284	20,655	21,442	21,707	22,776	22,529	23,001	23,689	24,916	26,301	27,009	28,220

Source: BI

houses. The NSB is also taking steps to specifically assist low income people. By the beginning of the sixth Five Year Development Program (1995) this bank will provide Home Savings Loans only for the development of Simple Housing and Very Simple Housing.

Both the Bank Papan Sejahtera and The National Savings Bank have also provided loans to developers in the form of construction loans, working capital loans and loans for land. In 1994, the National Savings Bank funneled loans to Simple and Very Simple Housing Projects. To support the national housing settlement program, both banks worked together with the Department of Finance and consultant firms to study the feasibility of establishing a new method of financing. Their targets are to market Secondary Mortgage Bonds and Secondary Commercial Papers to stock markets.

With the boom of the property business, especially in the residential sector, some private banks began showing interest in joining the crowd. They chose to market middle to high income people. The Bank Umum Nasional lured young executives to buy middle

class and luxury type houses costing Rp 200 million (US\$ 90,000) and up. BUN has allocated more than Rp 500 billion (US\$ 227 million) for loans for these specific targets. In 1994, Bank Internasional Indonesia has allocated more than Rp 440 billion to the property sector. Bank Bali followed suit, expanding its credit provision to the property sector to Rp 250 billion. They planned to increase this by 20% in 1995.

Banks' desire to provide loans for housing developments is due to their determination that doing business in the property sector carries little risk. This is due to the fact that the collateral for loans are the houses themselves. History has proven that such assets increase in value over time.

This is what made the property sector the sweetheart of the banking sector. It is also makes an interesting alternative for investors. During the 1993-1994 period when deposit rates went down to just 9% per annum,



HOUSING DEVELOPMENT BY REI MEMBERS
(based on category and type of Houses)

Year	Simple	Middle	Upper	Total
1976	17	415	74	506
1977	458	560	26	1,044
1978	447	650	35	1,132
1979	1,426	3,865	132	5,423
1980	12,506	7,099	684	20,289
1981	9,235	3,636	908	13,779
1982	26,795	18,565	2,287	47,647
1983	96,635	28,566	3,819	129,020
1984	17,150	2,415	569	20,134
1985	23,490	3,589	377	27,456
1986	22,702	4,199	231	27,132
1987	22,285	5,960	566	28,811
1988	126,040	13,438	632	140,110
1989	58,814	13,638	2,509	74,961
1990	75,963	8,698	1,693	86,354
1991	43,192	11,546	827	55,565
1992	50,048	7,235	900	54,176
Total	587,203	134,074	16,269	733,539

REI's Housing booklet 1994

people began to pull their money out of banks and invested in the property business. Soon there was another boom in the property sector. Like lunatics, people hurried to buy property assets, not worrying about price. Naturally, the prices of houses began sky-rocketing. Prices of very simple houses around the Jabotabek area suddenly rose more than 100%, while the jump in prices for middle to luxury type houses varied accordingly to location. Soon land prices in Jakarta were too high for the land to be used for the development of simple houses. In 1993, land prices rose 26.2%. In 1994, they rose another 23.5%

Meanwhile, housing developments around the Bogor, Tangerang and Bekasi areas are not rising so fast as in Jakarta, but are still rising quickly, especially in newly developed areas. East of Jakarta, the city of Bekasi has been chosen by some developers as a site of not only middle to low type housing settlements, but also for the development of huge satellite cities. Soon market demand in Bekasi rose. The first phase of middle to low income housing developments there have sold

out. The impact of this high demand situation has brought further price increases in and near Bekasi. For a small, simple house (Type 21), the 1992 selling price of Rp 6 to 7 million per unit has increased to Rp 13.5 to 15.5 million in 1995. A fantastic price hike of 105%!

Tangerang, west of Jakarta, has become a heavily utilized area for the development of several types of housing settlements. Satellite cities are being developed there, such as Bumi Serpong Damai, Lippo Village, Lippo City, and Citraland Tangerang. These developments have been followed by smaller scale housing settlement projects. House prices in Tangerang have shown a significant rise. A small simple house (Type 21) which in 1992 was priced at Rp 6 million, cost Rp 7.750 million in 1993 and Rp 10 million in 1994. For bigger houses, prices have risen even more; as much as a 62% increase each year.

The many industries located near Bekasi has encouraged the development of housing settlements for low income industrial workers. Soon a wave of price hikes came. A simple house (Type 21) has gone up 21% in price during the 1992 - 1995 period (Rp 7.386 million to Rp 15.500 million). Price hikes for bigger houses are frightening; 50-90% hikes have been recorded within the last two years.

The progress of housing developments around Bogor is much slower than Bekasi and Tangerang. This is due to the fact that areas surrounding this town are being protected by the government as a water catchment area for the city of Jakarta. Also, a regulation requiring developers to build a certain number of low income homes on large projects has been implemented within the town's boundaries. Most single homes developed here are specifically intended for the rich. Thus, Bogor experienced the lowest price increase compared to neighboring cities.

Bird's eye view of a housing project near Jakarta. Developers prefer to build large scale projects.

Minister of Public Housing Ir Akbar Tandjung:

New Housing Regulation Discussed

The scarcity of land within city boundaries has led to the development of vertical settlements. But the recent development of such apartments in big cities have been mainly targeted for mid-to-high income people only. To help low income people own an apartment, a new concept of balanced development of apartments is being created by the government through the office of the Ministry of Public Housing. This regulation will require that, for each unit of luxurious apartments developed, developers are obliged to build 2 units of middle income and 3 units of low income apartments. This is similar to the proposed regulation of 1:3:6 for homes. According to the Minister of Public Housing, Ir. Akbar Tandjung, this concept is still at an early stage of discussion among Ministers of the Indonesian Government.

To get detailed information concerning this would-be regulation, the Minister of Public Housing, Ir. Akbar Tandjung, was interviewed. Here are some excerpts from that interview :

IPR: What is the basic drive in designing the concept of 1:2:3 ?

Minister: In the last three years, the development of apartments in big cities has been very rapid. What concerned us is the fact that most of these apartments are targeted to the middle to high income people, while the low income people seem to be forgotten. As everybody knows, it is the low income people that have the greatest need for living settlements.

The demand for living settlements in big cities showed a sharp hike, while the land needed to build such places has become rarer and more expensive. Based on this situation, the government feels the need to push the development of vertical living settlements within cities' boundaries. Without this help, it is impossible for low income people to have shelters in big cities. This is our basic drive in introducing the concept of balanced development using the 1:2:3 method in apartments' development.

IPR: How far along is the discussion within the Ministry of Public Housing concerning the would-be regulation?

Minister: We are still in the preliminary steps toward designing this regulation. This concept is still on the drawing board. We agreed that the Regulation of Balanced Development of 1:3:6 as stipulated in the 1992 Joint Decree of Three Ministers will be given further detailed instructions, so as not to bring biased interpretations. As far as I know, both these concepts of balanced development are an original concept of Indonesia. You can not find such concepts in other countries around the world.

IPR: Do you invite developers to give their ideas?

Minister: As far as I know, private developers do not want to be involved in this intricate process. Most of them simply want us to publish how much they should

pay as their contribution to this regulation. The problem is, we can not manage their large contribution to the development of vertical living settlements. We came to the conclusion that we are not going to be involved in the process of construction, but let the developers build apartments according to our designed regulation. I agree that we still have to find a right working mechanism to carry out this regulation to the benefit of all parties.

IPR: What is the price of a unit of such an apartment?

Minister: We have not yet issued a standard price. But the government trying to put it at the reachable price of under Rp 16 million for each unit.

IPR: Beside the development of simple apartments to be sold, are you also going to build rental apartments?

Minister: Actually, this idea has long